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***SCOTTSDALE CITY COUNCIL***

Herbert Drinkwater, Mayor  
Councilman Greg Bielli  
Councilman James Burke  
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Councilman Mary Manross  
Councilman Bill Soderquist  
Councilman Richard Thomas

**CITY CLERK OPERATIONAL AUDIT**

The City Clerk needs to set both short-and long-term goals for improvement. In the short term, written procedures need to be developed and used for staff training and oversight. Essential records need to be safeguarded better. In the long term, Citywide records management needs to be revitalized.

**Report No. 9201  
August 1993**

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August 27, 1993

To The Most Honorable Herbert R. Drinkwater, Mayor  
and the Members of the Scottsdale City Council:

This audit report was developed to help the City Clerk outline a "blueprint" for progress in the office. The Clerk already has taken many steps to strengthen office operations, providing enhanced support to the City Council, City staff and the public. Opportunity exists for the Clerk to develop and implement further improvements to make sure that statutory and other requirements are met.

The first step in achieving a more effective Clerk operation is to determine what the office is required to do by state statute, by City Code, or by administrative need. The result of this analysis could form the basis of office written policies and procedures, aiding staff in providing improved customer service. It also may result in amendments updating the City Code, as changes are made to recognize where operations now are being performed in other offices. As well, functions could be formally delegated elsewhere in the City, although the Clerk currently does not have this authority. The analysis might be an opportunity for City staff to work on a Clerk Task Force, defining the function.

One area needing immediate improvement to bring the office in line with state requirements and good business practice is the safeguarding of essential and permanent City records. Right now, City records practice does not comply with relevant state standards. Further, another initiative should be undertaken to revitalize the Citywide records management program. These issues are discussed in Chapter Two.

As the second step after developing the office's policy and procedures, Clerk staff could address processes, such as legal posting, which have the potential to be done better, using fewer resources. Chapter Three discusses potential efficiencies. Procedures, job aids, training, and management reports could help achieve any of the improvements. Recommendations related to addressing issues identified during the audit are set out below, as well as in the action plan following this letter.

The City Clerk, the City Attorney, and the Purchasing Director reviewed this report and submitted written responses which can be found in Appendix C. The Action Plan which follows this letter sets out management's level of concurrence with each recommendation and an implementation timetable. Issues unrelated to the objectives of the Clerk audit which we believe management needs to address have been communicated in a separate management letter.

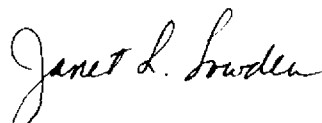
This audit was conducted in accordance with generally accepted government auditing standards as they relate to expanded scope auditing performed in a local government environment and as required by Article III Scottsdale Revised Code §2-117 *et seq.*, subject to the limitations outlined in the Objectives, Scope, and Method, Appendix A.

## RECOMMENDATIONS

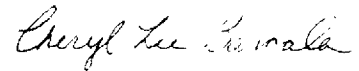
1. To improve customer service, the City Clerk should develop and maintain a comprehensive office policy and procedures manual as an aid to staff and to management oversight. Among other subjects, the manual should cover public record keeping, legal notices, appeals, franchise election cost recovery, software inventory, and automated file backups.
2. To ensure that City essential and permanent records are available to City staff and to the public now and in the future, the City Clerk should develop and implement a City essential records access, control and storage policy and program that complies with state standards and City guidelines.
3. The Purchasing Director should add archival paper which meets state specifications to the City standard stores.
4. The City Attorney should revise the Public Records Inspection and Copy Request form instructions to define "public records" and to indicate that original documents are not to be used for records research.

5. To revitalize the City records management program, the City Clerk should work with the City Manager to determine the resources required to develop and implement a records management program, the appropriate organization to perform the function, and if needed, should recommend to the Mayor and City Council that the City Code be amended. Resources provided should enable the unit to: maintain a current records management manual and Citywide retention schedules; train other staff in records management; ascertain that the City is in compliance with statutes, ordinances, and standards; and consult with operating units about records management needs.
6. To clarify Clerk functional requirements, the City Clerk should work with the City Attorney to formally delegate Clerk functions to the City departments performing them, or to amend City Code. Any written delegations of authority should be kept in the office's permanent records.
7. To make sure that recent improvement initiatives continue, the City Clerk should set schedules for goal or project accomplishment, periodically review and document staff progress toward meeting quality goals, and modify goals or set new ones. Such project management should be considered for agenda production costs, legal advertising, automation, public record copy charges, and codification.

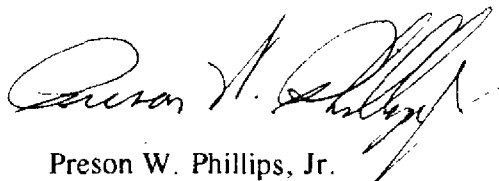
Respectfully submitted,



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JL/Gail Crawford, CPS

# CITY CLERK OPERATIONAL AUDIT ACTION PLAN

No.	RELATED DISCUSSION (Page No.)	MANAGEMENT RESPONSE		IMPLEMENTATION STATUS		RECOMMENDATION* (POTENTIAL FINANCIAL IMPACT SUMMARY)
		AGREE	DISAGREE	UNDERWAY	PLANNED	
1	16	X			7/1/94 completion	To improve customer service, the City Clerk should develop and maintain a comprehensive office policy and procedures manual as an aid to staff and to management oversight. Among other subjects, the manual should cover public record keeping, legal notices, appeals, franchise election cost recovery, software inventory, and automated file backups. (Cost: initial manual creation could require up to a Clerk staff month. Benefit: enhanced management oversight and customer service.) (Priority 2 and 4.)
2	7	X		X		To ensure that City essential and permanent records are available to City staff and to the public now and in the future, the City Clerk should develop and implement a City essential records access, control and storage policy and program that complies with state standards and City guidelines. (Cost: estimated two staff months Citywide Benefit: essential records safeguarded.) (Priority 2 and 4.)
3	9	X			10/1/93 completion	The Purchasing Director should add archival paper which meets state specifications to the City standard stores. (Cost: nominal. Benefit: Essential records safeguarded.) (Priority 3 and 4.)
4	12	X			1/94 completion	The City Attorney should revise the <u>Public Records Inspection and Copy Request form instructions to define "public records"</u> and to indicate that original documents are not to be used for records research. (Cost: nominal. Benefit: essential records safeguarded.) (Priority 3.)
5	13	X		X		To revitalize the City records management program, the City Clerk should work with the City Manager to determine the resources required to develop and implement a records management program, the appropriate organization to perform the function, and if needed, should recommend to the Mayor and City Council that the City Code be amended. Resources provided should enable the unit to: maintain a current records management manual and Citywide retention schedules; train other staff in records management; ascertain that the City is in compliance with statutes, ordinances, and standards; and consult with operating units about records management needs. (Cost: estimated one Clerk staff year on a continuing basis. Benefit: efficient and effective records management.) (Priority 3 and 4.)
6	17	X			8/95 completion	To clarify Clerk functional requirements, the City Clerk should work with the City Attorney to formally delegate Clerk functions to the City departments performing them, or to amend City Code. Any written delegations of authority should be kept in the office's permanent records. (Cost: estimated two staff months Citywide. Benefit: accurate City Code.) (Priority 3 and 4.)
7	19	X		X		To make sure that recent improvement initiatives continue, the City Clerk should set schedules for goal or project accomplishment, periodically review and document staff progress toward meeting quality goals, and modify goals or set new ones. Such project management should be considered for agenda production costs, legal advertising, automation, public record copy charges, and codification. (Cost: estimate one Clerk staff year initially. Benefit: efficient and effective Clerk operations.) (Priority 2 and 4.)

- Priority classifications:
  - [1] Fraudulent practices or other serious violations are being or have been committed resulting in significant financial or equivalent non-financial losses to the City.
  - [2] The potential for incurring significant financial or equivalent non-financial losses exists, or significant revenue could be generated or recovered.
  - [3] Administration, operations, or programs can be improved.
  - [4] Statutory noncompliance exists.

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# CHAPTER ONE

City Clerk Operational Audit  
City Auditor Report No. 9201

## Introduction

In 1992, City Council appointed a new City Clerk. Among her first objectives was the determination of what the City Clerk office should do, and an analysis of how functions could be best accomplished. In support of that effort, at her request, we performed an operational audit to assess Clerk operating efficiency and effectiveness, and compliance to statutes and ordinances. At the same time, she requested Organizational Effectiveness to perform a personnel classification study and to facilitate Clerk staff in identifying needed office improvements. We coordinated with Organizational Effectiveness during the audit. By agreement with the Clerk, elections administration was not audited.

So far, the Clerk has:

- facilitated a task force which resulted in a reduction in late submittals for the City Council agenda. Process measurements show that the late submittal rate dropped by 40 percentage points.
- approved a restructuring of Clerk staff positions to permit cross-training and staff development.
- reorganized the office's layout to enhance workflow and customer service.
- authorized two staff to take Spanish language training to better serve the public.
- instituted better controls over supplies, so that expenses were cut in half.
- co-chaired a Citywide records imaging task force.
- implemented on-line contracts search capability.

Other changes continue. The audit will aid the Clerk in developing and prioritizing goals and objectives for further improvements. Clerk staff can use this report as a record of examination, as a basis for follow up and as a checklist for corrective action.



**Results In Brief** Right now, Clerk operations need to be strengthened to make sure all requirements set out in state statute or in City Code are met. Additionally, steps need to be taken to reinforce the Clerk's ability to control operations efficiently.

Three initial steps to be taken are:

1. documenting completely what the office is required to do by state statute or City Code, and developing written procedures for accomplishing tasks. This project should be accomplished within a pre-set timeframe. Afterwards, procedures should be reviewed and updated on a regular basis.
2. identifying whether certain Clerk tasks are being accomplished by other City departments, which should trigger a change to the Code, or, if appropriate, a written delegation of authority. This step might be a good opportunity for a Citywide task force.
3. committing to continuously streamlining processes such as Council agendas and legal postings, to make sure functions are accomplished efficiently and effectively. As was done for the Council agenda process, measurements should be taken before and after management action, and progress documented.

The City Clerk has the opportunity to make substantial improvements in the Clerk office, bringing it into compliance with legal directives and making the office more effective. Substantial improvements require long-term commitment to accomplish.

## **Background**

City Clerk functions have evolved over time. Historically, the City Clerk acted as treasurer, official recordkeeper, licensing official, Council secretary—in short, the administrative government branch. In the more recent past, the City Manager was the City Clerk. Administration of the Clerk's function was assigned through the Deputy City Manager to the Administrator, Office of Management Systems, now part of Management Services. In 1988, the City Council restored the position as a Charter Officer.

Some current Clerk duties are required by state statute or City Code, while others have been assigned as management saw a need. The exhibit on the next page sets out City Clerk duties required by statute or code. Other assigned duties include coordinating Council agendas and packets, maintaining the City Code, supporting Boards and Commissions, and answering the City telephone.

As service demands increased, the Clerk's office grew in size. In 1982, the Clerk's office was staffed by three people. In Fiscal Year 1992-93, the City Clerk had seven fulltime staff authorized, and one parttime. The operating budget approved for fiscal year 1993-94 was \$421,000. Elections, which was not included in the audit's scope, has a separate budget of \$161,000. According to the City Clerk, support of Council meetings to take care of the needs of both Council members and the requirements of the Open Public Meeting Law are the primary workload determinants. Typically, the Council will meet six times a month. Clerk workload will be determined as well by whether or not the city is growing. A growing city will have an increased number of ordinances, information requests, annexations, and elections.

## **Challenges Continue For Clerk Function**

Challenges facing the City Clerk today are not new. A study in 1983 identified similar issues in the need for written procedures, documenting systems, enhancing essential record safety, improving records management, and keeping timely council agendas. Subsequent studies focused more narrowly on records management. In 1986, a progress report on City records management documented steps taken by a City Task Force on Records Management to improve records handling citywide.

## CITY CLERK FUNCTIONS

### Required by statute:



Attends City Council meetings, and keeps the official records and minutes of all actions. Minutes or a recording of the meeting must be open to public inspection three working days afterwards.

- Performs legal publishing and posting 24 hours before a meeting, and makes sure the notice includes an agenda.
- Files affidavits of postings for proof of publication.
- Administers elected officials financial disclosure procedures.
- Receives municipal election returns.
- Keeps three copies of a code or public record for public reference. An example of a public record adopted by reference is the Scottsdale Records Management Manual.
- Charges fees for copies of public records, including monitoring commercial requests.

### Required by City Code:



Administers a public records management program, including retention and disposition schedules, archiving and micrographics, public access and research. Records retention schedules assure the City that it is holding the right records for the right length of time. The City Code delegates this statutorily required function to the Clerk.

- Attests, or certifies by signature, to official Council actions.
- Delivers agendas and copies of previous meeting's minutes to the Mayor and City Council, and City Attorney.
- Receives copies of parade permits and accepts filings of appeals from Council, Board and Commission decisions.
- Keeps authorizations on file for city employees to issue civil citations.
- Issues bingo licenses.
- Links with Maricopa County Recorder for all City document recordings.
- Collects estimated expenses of publication and election for franchise approvals.

SOURCE: Audit Analysis

A third study of City Clerk functions was initiated in 1990, and was never completed because of staff turnover. This was a business systems analysis to determine needs prior to automating certain Clerk functions. One phase of the analysis documented problems and opportunities identified by Clerk staff: delays in finalizing materials for Council packets, misunderstandings in the agenda coordination process, and inaccurate Board and Commission membership status reports.

Chapter Two discusses the need for meeting statutory and code requirements so that the Clerk's office provides increasingly effective service. Chapter Three outlines processes which could be done more efficiently.

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# CHAPTER TWO

City Clerk Operational Audit  
City Auditor Report No. 9201

## Opportunity Exists To Provide More Effective Service

Opportunity exists for the City Clerk to develop and implement management improvements to make sure that statutory and other requirements are met. This addresses the issue of "effectiveness"—making sure that activities are achieving the results that policymakers intend.

The first step in achieving a more effective Clerk operation is to make sure that all required Clerk functions are known, and are performed in compliance with City Code and state statutes. Alternatively, the Code can be amended or the job delegated elsewhere. A summary of City Charter and Code citations which pertain to the Clerk was furnished to her. Needed actions to meet requirements are discussed in this chapter.

Next, Clerk staff could begin to address processes which have the potential to be done better, using fewer resources. Chapter Three discusses these potential efficiencies. Procedures, job aids, training and management reports could help achieve any of these objectives.

## Clerk Can Manage The City's Essential Records More Effectively

The area which the City Clerk needs to address first is management of City essential, or vital, records such as ordinances and contracts. Essential records need to be adequately controlled and safeguarded. Essential and permanent records should be identified and maintained in accordance with State permanent records standards.

Clerk staff are aware that changes are needed. Short-and long-range plans are that archival paper will be available Citywide, essential original documents will be archived off-site, and advanced records technology will be installed.

The Clerk is specifically required both by state statute and City ordinance to control and safeguard City essential records. Public officials have to "carefully secure, protect and preserve public records from deterioration, mutilation, loss or destruction..." Safeguarding preserves documentary records of government activities for the public.

Essential records are records needed in case of an emergency or to protect the City's rights and interests, such as ordinances, resolutions, minutes, and contracts. For practical purposes, essential and permanent records are the same thing, although not all essential records have to be kept permanently. Permanent records are defined as records which must be kept until the end of time. Examples of permanent records include council minutes, resolutions, ordinances, planning and zoning files, and certain property records. Contracts are not, however, permanent records, as they should be destroyed six years after completion of the work. Contracts records management is discussed separately below.

**City Clerk Needs To  
Determine What Records Are  
"Essential" Or "Permanent"**

The City Clerk needs to identify all essential and permanent records Citywide, as part of a records inventory. Subsequently, a records policy can be developed which defines what City essential and permanent records should be. For example, Department of Library, Archives, and Public Records identifies many permanent record types. (See Insert.)

**RECORDS KEPT FOREVER**

- annexation maps
- annual reports
- charters, amendments and incorporation files
- easements
- signature rosters
- city council minutes
- ordinances
- resolutions
- subdivision plats.

SOURCE: Department of Library, Archives, and  
Public Records

In addition to these types of documents, certain types of permits or licenses also need to be maintained permanently to safeguard the City from legal liability in the future. For example, in the recently issued Environmental Regulations Guidebook, permits related to environmental concerns such as air quality, obtained by the City, would be considered essential documents and would be safeguarded by the Clerk.

After essential records are identified, procedures would be developed to make sure that the City Clerk receives original documents for safeguarding.

**Practices Need To Conform  
To Requirements**

City Clerk practices need to conform to statutory essential permanent records requirements. The City Clerk, and other City records management staff, need to take steps to comply with the statutory requirement that permanent records be kept in accordance with the State Department of Library, Archives, and Public Records "Standards For Permanent Records Media and Storage." Nonconformance to this standard was initially noted by Clerk staff over five years ago.

Standards require that essential permanent documents be maintained on microfilm or on special archival paper. Legislative record (ordinances and resolutions) microfilming was suspended in early 1992. New reader/printers were believed to be needed. Staff was studying installation of optical disk/imaging technology. However, optical disk storage is not currently considered acceptable for permanence by the State.

Other records defined by City guidelines as permanent, housed in the City Records Center in the City Hall basement, have not been microfilmed or otherwise prepared for permanent storage at all. Clerk staff do not agree that records storage practices are ineffective, noting that all on-site permanent records are in fireproof cabinets.

In the absence of microfilming, procedures need to require permanent documents to be prepared consistently on archival quality paper. One item which could be addressed while revising the Administrative Regulations into Guidelines is the need to prepare final Clerk file copies of ordinances and resolutions on archival paper. Archival quality paper could be added to the City Stores inventory to aid staff in obtaining it.

*Annual Records Inspection Needs To Be Performed* The City Clerk needs to begin inspecting stored records. The City's permanent essential paper records are required by the standards to be annually inspected. A minimum one percent representative random sample is to be taken and inspected by the records custodian for water damage, insect infestation, discoloration and other problems. Inspection results are to be reported to the Public Records Department. This has not been accomplished to date.

*City Records Center Needs To Be Fire Safe* The City Clerk needs to either restructure the existing City records center, located in the basement of City Hall, so that it is fire safe, or archive permanent records elsewhere. Standards for essential permanent records require that they be stored in a fire safe manner. The Clerk has some ordinances, resolutions and Council minutes, which are stored on-site, filed in three fire safe cabinets. Other permanent records are stored in boxes on open shelves. We reviewed the National Fire Protection Association Manual for Fire Protection for Archives and Records Center, (NFPA 232AM), and found that changes are needed. (See Insert.)

#### AREAS FOR IMPROVED FIRE SAFETY

- Additional operations such as the phone maintenance access in the Records Center should not be permitted.
- Reliance on smoke detection and extinguishment by a portable extinguisher is not effective protection, yet this is the situation at the City Records Center.
- Wet records can be recovered, but burned records cannot. The City Records Center is not sprinklered.
- Open shelving such as that employed for some permanent records in the Records Center has the "inherent capability" of aiding records destruction in a fire.
- Using mobile records shelving improves the likelihood that a records fire will not spread beyond municipal fire department control, but existing mobile shelves in a second records center are used to store office supplies.

SOURCE: NFPA 232 AM and Audit Analysis.



**Clerk Can Safeguard  
Contracts More Effectively**

In addition to taking steps to effectively safeguard permanent records, the Clerk needs to strengthen procedures to effectively safeguard contract originals from alteration or loss. The need to provide fast customer records research service has weighed against the need to safeguard these documents.

We performed a judgment sample of contract files, and noted that originals that contained binding payment schedules were available. We observed that individuals performing research would be difficult to watch at all times. Persons accessing the files are not logged and the file cabinet is not locked. Further, contract document pages are not distinctively marked so that an inspection would reveal if pages had been altered.

All research should be performed on document copies, and the original contract documents should be safeguarded along with City permanent archived records. Additionally, consideration could be given to redesigning contract forms to permit distinctive markings so that alterations or forgeries could be detected.

Currently, City contract administration policy set out in Administrative Regulation No. 218 could contribute to misidentified originals. Policy is that three signed contract originals should be prepared, one each for the contract administrator, the contractor, and for either Purchasing or City Clerk depending upon which office is contract document custodian. For contracts signed by City Council, this is a poor practice. All original signed contracts over \$10,000 need to be housed in the City Clerk office. Staff can work from copies. Consideration could be given to making this policy effective for all contracts regardless of dollar value.

***Clerk Needs Assurance That  
Contract Files Are Complete***

The City Clerk needs to be able to assure that a contract file is complete, and that all contracts which have to be filed in the office have in fact been received. Originals may be difficult to identify or missing. Recently, a procedure was developed so that Clerk staff could track progress of contracts, and follow up with staff if required documentation was not returned promptly. A contract file cover sheet giving needed information was being considered as well. This may address the problem.

Procedures need to be developed and implemented for contract administration staff and Clerk staff to verify that an original essential record copy of a contract is in fact accurate and complete prior to placing the documents into records storage.

**Public Records Research  
Practices Could Be Improved**

City Clerk staff perform public records research, and need to be using recently developed procedures for administering the function. Requirements for handling public requests for information are set out in statute, and the office of the City Attorney in August 1989 developed a handbook, "Open Meetings and Public Records," to help City staff comply with requirements. To further protect the City from potential problems associated with inadequate handling of public information requests, City Attorney staff in 1993 implemented a citywide public records request form, "Public Records Inspection and Copy Request Form Information and Instruction Sheet."

Because the procedure called for on the form is not covered in an Administrative Regulation, City staff use of the procedures apparently is voluntary. Anyone wanting to inspect or copy public records is supposed to fill out the form. The City Clerk does not require staff to use the form, however, as she believes that it would be cumbersome and would reduce public satisfaction with the Clerk's service. Use of the form would strengthen records control and could aid in identifying commercial records requests which should be charged for. Other steps could be taken too. For example, microfiche of records and reader/printers, or other more current technology, could be used for public research.

*Citywide Procedures Need  
To Provide For Protection  
Of Originals*

We furnished comments to Attorney staff drafting the public records request form concerning the need to protect original documents from alteration or theft. However, the procedures developed do not yet make clear that protection is needed. The form should include this notice. In addition, "public records" needs to be defined, because confusion could exist about what kinds of documents trigger use of the form.

## **Records Management Needs To Be Revitalized**

The greatest opportunity for functional enhancement is development and implementation of an effective Citywide records management program. Although required by City Code and assigned to City Clerk, no Citywide records management program exists. City Clerk reorganization into a Charter Office, resulting staff turnover, and a hard-to-use automated system contributed to the loss of momentum. Citywide records management won national recognition in the 1980's.

A renewed undertaking will require top management commitment, dedicated resources, and a flexible, long-term schedule for accomplishment.

### **Code Provides Clerk Records Management Guidelines**

Records management includes the following functions:

- Defining recordkeeping requirements: determining what records managers should create and maintain.
- Defining documentation standards: determining what information the records should contain.
- Developing and maintaining records inventories: determining what records the City has and where they are located.
- Developing and maintaining disposition schedules: determining when records should be destroyed or archived.

City Code (SRC §2-102) designates the City Clerk as the organization which oversees City records management, as shown in the insert on the next page.

At this time, by contrast to the program envisioned in the City Code, the City Clerk is involved in records management primarily as 1) the custodian of City essential legislative records, 2) the contract administrator for the City microfilm and off-site records storage contractor, 3) provider of technical advice and assistance upon request, and 4) provider of certain statutorily required reports to the State Department of Library, Archives and Public Records.

### City Code Records Management Guidelines

The City Clerk will:

- direct, assist, and coordinate records management in conjunction with department records liaisons,
- coordinate and evaluate the total records retention and disposition program,
- provide technical assistance and guidance to all City staff involved in records management,
- act as liaison on legal guidelines for public records with departments and state agencies,
- audit the records management program on an ongoing basis, among other duties.

SOURCE: SRC §2-102.

Lack of records management progress partly is due to shifts in management emphasis. In the 1980's, the City made significant progress in records management. [See Exhibit 2 next page.] In 1985 and 1988, efforts were recognized by the Ohlsten award for records management excellence.

After that, records management was deemphasized. City top management changed and the Clerk position was restored to a City Charter Officer. The individual who first occupied the City Clerk charter position emphasized service to the City Council, and deemphasized teamwork with management. Information systems analysts moved on to different jobs. In addition, the Citywide Unisys Automated Records Management System encountered resistance from City staff. These events combined to end the Records Management Task Force momentum.

### **Retention Schedules Can Be Updated Now**

Certain records management activities do not need to await a revitalized program. Records management staff need to be maintaining up-to-date records retention schedules and inventorying records now. The City's records retention schedules are dated 1984, so staff are using the 1986 State Municipal Records Management Manual as guidance. According to Department of Library, Archives and Public Records staff, the City's own retention schedules are preferable to the general municipal schedules. According to Public Records staff, schedules should be revised and furnished to them at least every five years.

## **Exhibit 2**

### **Records Management Milestones**

#### **1980**

- City Clerk combined with City Manager

#### **1981**

#### **1982**

- Arizona Republic criticizes Clerk's records management

#### **1983**

- "City Clerk Study" recommends comprehensive records program

#### **1984**

- Scottsdale Records Retention Manual approved

#### **1985**

- Pitch In To Pitch Out Campaign results in 30 percent records reduction
- Ohlsten Award received from ARMA
- Pilot project for automated indexing records

#### **1986**

- Vital/essential records programs initiated
- Progress report on records management issued

#### **1987**

#### **1988**

- Second Ohlsten award received
- City Clerk restored as Charter Officer

#### **1989**

#### **1990**

- Records management ordinance redrafted (never completed)
- City Clerk systems analysis initiated (never completed)

#### **1991**

- Clerk plans Automating Records of Council History (ARCH)

#### **1992**

- New City Clerk appointed
- Microfilming essential permanent records suspended
- Optical disk system assessed

#### **1993**

- ARCH Request for Proposal issued

SOURCE: Audit Analysis

## Clerk Needs To Document Procedures

Immediate actions are available to Clerk staff which can bring the office into compliance with ordinances, as well as to improve customer service. Functions of public recordkeeping, appeals from government decisions, and legal postings and publishing, need to be made routine.

### All Public Records Need To Be Kept

The Clerk needs to keep all required public records for public examination. (See Insert.) We found that not all records that the Clerk needs are available in the office. Written procedures for Clerk staff should discuss records to be kept, and how to determine whether requirements have changed. Procedures should require records to be catalogued and periodically reviewed for currency and completeness. Records should be protected from theft or alteration, so that they will be available for requestors. Staff should be trained in document location.

### PUBLIC RECORDS

City Code requires three copies of the following to be available at the Clerk's:

- Any code or public record incorporated by reference into an ordinance.
- The Scottsdale Records Retention Manual.
- The City Code and Tax Code.
- Current roadways and speed limits.
- Building Codes such as The Uniform Code for the Abatement of Dangerous Buildings, The Uniform Building Code, and The National Electrical Code, among others.

SOURCE: Scottsdale Revised Code and Audit Analysis.

Similarly, written procedures for handling actions such as appeals from Board and Commission decisions, which are assigned to the Clerk by the City Code, need to be developed and tested, and staff trained in how to follow them. Procedures for estimating and billing for the expenses related to a franchise election are needed to make sure the City's costs are covered. Developing procedures and training staff will improve service to citizens.

**Legal Notices Could  
Be Controlled Better**

Another important City Clerk function is legal notices and publishing. The City is required by statute to give the public notice of certain government actions. Clerk staff need to document what the complete requirements are for such notices.

Because no complete requirements list exists, no procedure can be developed to verify that City Clerk actions result in statutory compliance, for example, in numbers of days or times notices are published. Existing written procedures direct department staff to consult the City Attorney about public notice requirements. We determined from reviewing the City Code and the state statutes the publication requirements shown below. The list may be incomplete.

**PUBLICATION REQUIREMENTS**

**In City Charter:**

- Ordinances and resolutions published once within 10 days of passage.

**In City Ordinances:**

- Proposed franchises published once a week for four consecutive weeks.
- Referendums published once, five days prior to the referendum election.
- Time and place of a use permit hearing published at least once, not less than 15 days before the hearing date.
- Notice of sale or disposition of real property published at least 30 days prior.
- Notice of a public hearing on a release of easement published at least once at least 15 days prior to the hearing.

SOURCE: Scottsdale Revised Code and Audit Analysis

**City Code May Need  
To Be Amended**

The City Code may need to be updated to reflect changes in the way functions assigned to the City Clerk are accomplished. The City Clerk needs to take steps to clarify requirements, and to formally delegate functions no longer performed in the office. For example, ordinances assign responsibility for issuing business licenses to the Clerk, although this function has been performed by Customer Services for some time. The Clerk is required by ordinance to archive plat and other maps, a function performed by

Planning and Community Development. The Clerk still administers bingo licensing. During the course of the audit, the Clerk initiated a transfer of responsibility to Planning and Community Development.

Prior to appointment of the serving City Clerk, the responsibility for compiling documents for City Council meeting agendas, and for furnishing the list of items to the City Clerk, was the Administrative Services Manager's. That position reported to the City Manager. The duties are now performed by the City Clerk. The City Code still requires the City Manager to perform the function.

No written delegation of authority for Tax and License, or Planning and Community Development or any other City department to perform Clerk functions exists. Apparently, City Code does not permit the Clerk to designate another responsible party.



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# CHAPTER THREE

City Clerk Operational Audit  
City Auditor Report No. 9201

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## Opportunity Exists To Provide More Efficient Service

Clerk staff recognize that opportunities exist to improve office processes. Working with Quality Resource Management, Clerk staff defined initial quality goals to address.

Changes are taking place. Office layout was improved and staff were trained in conversational Spanish. Contract files were reorganized, and an automated indexing system was begun. Office supplies are being controlled better, with the result that for 1992/93, expenditures for office supplies have been cut in half. The agenda and packet preparation process is better controlled.

Substantive organizational change requires continuing commitment from management and staff, with periodic reviews to check on progress. City Clerk staff have taken an important first step. We identified similar opportunities for potential efficiencies in automation, agenda coordination, legal advertising, copy charges, and contracting for City Code codification. Each is discussed below.

## Clerk Automation Slow To Evolve

City Clerk functions have been studied four times since 1983. One study, a business systems analysis begun in 1990, was to determine the functions that could be automated. For several reasons, the analysis was never completed and automated activities never evolved. In early 1992, another automation project began. The latest automation project resulted in a Request for Proposal for an automated legislative history information system which is in review. A successful bidder is foreseen by January 1994.

Determining needed Clerk functions and developing and implementing procedures to make work routine, discussed in Chapter Two, can aid automation efforts.

## Clerk Staff Could Improve Personal Computer Use

Clerk staff have personal computers available to them that could be used more efficiently. Computers are used in partly creating City Council agendas, in creating Council minutes and in automating an index to contract files. When the audit began, software documentation was stored in a central location. Additionally, several employees had not been trained on the use of

some software on their computers. Since being made aware of these needs, the Clerk has made strides to improve this situation. Unused software was given for redistribution and software documentation has been placed in close proximity to the computers on which they are installed. Employees have been trained on the use of their software.

To further improve computer use, staff need to establish schedules for "backing up" automated data files. Without periodic back ups, data could be lost or staff could have to spend time recovering data. Back ups need to be stored in a way that protects the data from fire or other disaster. Right now, staff are storing back up data copies close to their computers.

#### **Contract File Management Improvement Is Underway**

City Clerk staff have identified needed improvements, one of which is an enhanced contract file system. Staff is working to implement automated contracts cross-indexing to expedite records research. The contract file system was of limited usefulness and fostered keeping contracts beyond their required retention period. Speed and completeness of records retrieval depends upon the capability and knowledge of the particular staff performing the research, however. Contracts, for example, may be amended once or several times, but no means exists to reliably identify all amendments. The contract numbering system needs to aid staff in related document identification.

#### **Further Agenda And Packet Process Improvements Could Be Realized**

The process of supporting City Council meetings is the workload determinant for the Clerk. Yet, while responsible for creating and publishing the final Council agenda and attachments, and for assembling City Council decision packets used in meetings, the Clerk has no control over timeliness, completeness or accuracy of materials. Clerk staff often operate in a crisis mode, responding to last minute submissions, changes or special handling requests from the departments.

Compared to other cities, on a per meeting basis Scottsdale's City Council meetings appear to be the most expensive to support. The Clerk needs to determine what the process costs the office on a per meeting basis, and take action to control or to reduce costs. Other cities' agenda processes could be studied for benchmarks, which are "best practices."

The process of preparing for Council meetings is also highly manual, although electronic media are available to aid the staff. Other City Clerk offices we visited used more efficient methods of supporting Council meetings, including electronic agenda and packet preparation, Council self-service and Clerk refusal to handle late or incomplete materials. The City Clerk was provided materials regarding various opportunities.

Another avenue to reduce costs which Clerk staff could consider is assessing the minimum number of full agenda and packet copies reasonably needed. While the City Code requires the Clerk specifically to provide an agenda and minutes to the Mayor, City Council, and City Attorney, the agenda distribution list has grown to include 46 recipients. Agendas and packets are voluminous. Electronic agenda and packet preparation potentially could reduce costs. The Clerk already saves substantially by reproducing packet materials on two sides.

Monitoring reproduction costs can provide surprising results. A Project Coordination staff member projected annual savings approaching \$16,000 from cutting down on the number of packets prepared and by eliminating colored graphics for Board and Commission materials.

*Intervention Improves  
The Process*

At the City Clerk's request, Quality Resource Management assisted staff in addressing persistent Council agenda and packet administration problems. A handbook was assembled and furnished to involved staff to establish standards and provide general guidelines. Late and incorrect items were tracked by department. A workshop was held with clerical staff to foster better communication. However, per meeting production costs were not measured before and after the intervention.

After the workshop, Clerk staff tracked the process, which showed a great improvement in departments' on-time performance. Following the session, the Clerk had three-fourths fewer late and incorrect agenda items. Clerk staff continue to track performance. The Clerk believes a periodic report of City department performance might be useful.

## Legal Notices Could Be Administered More Efficiently

Because the expense of publishing legal notices is significant, the Clerk needs to look at alternatives to current practice. The Clerk needs to consider options such as negotiating a written contract with *The Scottsdale Progress* or another provider which sets a cost-efficient legal advertising rate. Ordering and payment procedures need to follow coordination guidelines set by Purchasing. The Clerk also needs to urge the City Council to consider seriously the use of adoption by reference which reduces the amount of legal publishing required.

## Legal Advertising Costs Are Rising

The Clerk's legal advertising costs have risen and may continue to rise as the annual number of ordinances and resolutions rises. (See Insert.)

### LEGAL AD COSTS

1989 \$14,717

1990 \$27,379

1991 \$17,826

1992 \$41,050

SOURCE: City MSA/COSFIS

Costs for legal advertising were high during 1992 due to costs of publishing a number of ordinances and resolutions. For example, Ordinance Number 2430 cost almost \$5,000 to publish. Citywide, advertising costs the City about \$100,000 annually, although it is not possible given current account structures to separate display or classified from legal advertising. The City pays *The Progress* approximately \$8,000 a month for advertising and other services.

We determined that legal advertising rate structures varied from publication to publication. A weekly paper had the most competitive rate. (See Insert next page.) State statutes do not require that the City publish legal notices in a daily newspaper, but rather in a newspaper of general circulation printed in English. The City sets its own publication frequency and vehicle.

Comparative Legal Ad Rates

	rate per column inch	
	day one	subsequent days
<i>Scottsdale Progress</i>	\$5.30	\$4.65
<i>Arizona Business Gazette</i>	\$4.15	\$3.95
<i>Tempe Daily News</i>	\$4.32	n/a

Source: Audit Analysis

**Ordering And Billing Could  
Be More Efficient**

The City Purchasing Guide states that all legal notices that are not related to bids and contracts will be coordinated by the Clerk's office. The guidelines define "coordination" as "collecting information, writing copy, laying out, designing, billing, etc." The Clerk needs to coordinate legal ads, which should lead to efficient legal advertising control.

Using current procedures, obtaining needed authorizations for *Progress* bill payment takes too much of the Clerk staff's time. Because other City departments place legal advertisements directly to *The Progress*, Clerk staff receive the bill but do not know who authorized the ad. Additionally, two other City departments, CAPA and Purchasing, also have a *Progress* account. This has led in the past to bills with erroneous charges. Staff have to spend time researching and correcting bills.

***Legal Advertisement Bills  
Should Be Verified***

Clerk staff need to check to see if all items they send for publishing in fact get published, and need to verify column inches printed and the bill amount. A record needs to be kept of what was ordered to be published. This record needs to be compared to the affidavits of publishing furnished by the newspapers, and to bills.

To determine whether the Clerk was paying the correct amount for legal advertising, we verified a sample of bills from *The Progress*. Based upon the sample, we found two significant errors in the 23 Clerk items verified, which resulted in an overcharge to the City of \$99 and an undercharge to the City of \$363. Other errors were found in bill calculations.

*Adoption By Reference  
Could Be Used*

In addition to negotiating a contract and taking other administrative steps, consideration could be given to reducing publication frequency, or to using the procedure suggested by the Arizona League of Cities and Towns, adoption by reference. This procedure reduces publication needs. In the process of adoption by reference, the Council declares the ordinance, if it is a lengthy one such as a subdivision ordinance, as a public record by resolution. Then, the ordinance, which is published, adopts the public record. Three copies of the public record must be kept on file for public reference by the Clerk.

**Copy Charges  
Probably Need To Be  
Tracked, Raised**

The City Clerk or another designated department probably needs to maintain a list of charges imposed by City departments giving out records. The appropriate copy charge necessary to cover the City's costs was determined to be \$.25 per page, according to the Purchasing Director. This has not resulted in a uniform Citywide copy charge yet.

We found charges for copies varied from city to city when we surveyed three other City Clerks. Charges can be high; the Clerk of the County Board of Supervisors charges \$1 per page, for example. Copy charges for each City Clerk's office we visited is shown below. (See Insert.)

Copy Charges	
Scottsdale	.05/page
Goodyear	.50/page
Chandler	.15/page
Tempe	.10/page
SOURCE: City Clerk Survey.	

Scottsdale Clerk staff use judgment about imposing charges for copies. According to staff, most requests involve three or four pages, and charges are not imposed except for jobs of ten or more pages. Staff estimate that almost all copy requests are for less than 10 pages.

Consideration in fee setting needs to be given to the time it takes the staff to reproduce the correct document. Statute allows the City to cover the cost of both materials and the time to compile

and reproduce the documents. In the case of records which have a commercial application, the City can "market" the information, and should keep track of the commercial requests. Other cities, specifically Goodyear and Chandler, set charges in consideration of the time and materials needed to make copies, and also the time taken to perform the records research on commercial requests. At the City of Phoenix, citywide copy charges were set at \$.25 per page after a periodic audit.

We determined based upon a judgment sample of 19 research requests that the research cost approximately \$1,000 in staff time. Of the requests sampled, two-thirds were for City staff or for other government or non-profit organizations. Five percent were for commercial purposes, and 26 percent were likely citizen requests. The only fee collected was \$2.50, from a private citizen.

## Codification Contract Needs Review

The City Clerk needs to conduct a cost/benefit analysis of continuing to codify City ordinances in the same way. Now, the Clerk contracts with the Municipal Code Corporation for administering the codification of City ordinances. While we found no problems with the service, the contract is eight years old and service costs are rising. In fiscal year 1992/93, the City paid the Municipal Code Corporation \$47,000.

The contract was amended in 1987 to increase the total contract price, and evidence exists that an unsupported additional \$9,000 was charged, over and above the original contract price and escalation provisions. In addition, in eight years, circumstances can change.

Other cities we visited used different approaches to codification, ranging from in-house manual codification or in-house automated codification to complete contracting out. According to the Clerk staff, part of the cost of the Municipal Code Corporation service is legal review to ensure City ordinance legal conformance. Plans are that the Clerk's office may rebid the contract or look into other alternatives such as complete automation.

## APPENDIX A

### Objectives, Scope And Method

The objective of the City Clerk operational audit was to determine the Clerk's compliance to authoritative dictates, and to identify needed operational changes for long-term office improvement. Approved audit plan objectives were:

- to determine what services the City Clerk should be providing, according to its Charter, applicable City ordinances, state and federal laws and professional standards.
- to determine if the City Clerk is providing services that meet customer needs in the most efficient possible way.
- to determine if management procedures are developed and implemented so that people know how well they are doing and so that City assets, such as vital records, are protected.
- to determine if there are other concerns which could affect the capability of the City Clerk to accomplish objectives.

City Clerk election administration functions were not included in the scope of the audit.

The audit was performed at the request of the City Clerk, to provide a foundation for systematically defining and addressing required improvements in the Clerk office. Because of this, we incorporated into the audit guidelines adapted from the American Society for Quality Control "Quality Management Benchmark Assessment" publication. The guidelines are intended to aid organizations in setting specific, task-oriented goals for improvement. At the same time, the City Clerk had requested assistance from Organizational Effectiveness. To reduce duplication of effort, we coordinated the audit with them.

Audit work was conducted in accordance with generally accepted government auditing standards as they relate to expanded scope auditing in a local government environment and as required by Article III SRC §2-117 *et. seq.* Fieldwork took place between



June 1992 and June 1993. The report was initially planned for issuance in November 1992.

Audit fieldwork and report drafting was delayed by staff work on other audits which the City Council determined were higher priority. City Clerk management were briefed on a periodic basis about findings and recommendations as the work progressed. The City Council Audit Subcommittee was briefed on preliminary findings and conclusions on July 15, 1993.

**Audit Method** To determine whether the City Clerk's office was functioning in a manner consistent with other city clerks, we selected three cities to visit. Cities were selected upon the advice of International Institute of Municipal Clerks (IIMC) staff as representing a range of professional clerk operations. We also considered city size. We developed a structured survey instrument, working with City Clerk staff, which was administered in person at each city. Relevant supporting documentation was obtained, including recent budget documents and any workload measures or performance reports for the clerk function. Respondents were furnished written reports of interviews, and requested to review and furnish comments on these.

City Clerk staff, current and former, were interviewed and documents relating to the function were reviewed.

In order to determine whether or not standards existed for the clerk function, IIMC staff were interviewed and related literature was sought from them. As well, staff at the State Department of Library, Archives, and Public Records and the Arizona Municipal Clerk Institute were interviewed. Documents were obtained which set out guidelines for clerk records management functions. Further, we reviewed and copied documents from the state file of City contacts and records.

To determine whether City Clerk automation conformed to best practices, we reviewed each work station, and interviewed staff. We also participated in automation planning sessions and reviewed documents.

To assess whether or not essential records were adequately safeguarded, we took a judgment sample of contract files and reviewed them for age, completeness, and original signatures. To determine adequacy of archival storage, we made physical observations during on-site visits to two Clerk records storage areas.

To determine what authoritative dictates governed Clerk operations, we reviewed the statutes related to Open Public Meetings and Public Records. The League of Arizona Cities and Towns was contacted, and furnished the guidelines, "Local Laws: How To Prepare, Pass And Publish." An on-line search for key word "clerk" was conducted on automated files of the City Code. After preparing a list of requirements from the City Code, we furnished the list to City Attorney staff and to the Planning and Community Development staff to review and comment upon completeness and accuracy.

To determine whether or not legal advertising was adequately controlled, we reviewed documents and interviewed staff. A judgment sample of Clerk legal advertising bills was verified with the results shown below. Items verified represented 33 percent of the total line items.

Number Exceptions	Dollar Error	(Clerk) Total Bill	Bill Date	Date Selected	Line Items Selected	Total Line Items on Bill
-	-	388.88	08/31/92	08/22/92	1	5
		469.05				
-	-	2,924.65	09/30/92	09/11/92	5	21
				09/26/92	1	6
-	-	815.43	10/31/92	10/10/92	3	10
1	99.05	2,065.52	11/30/92	11/21/92	2	9
				11/23/92	6	9
<u>1</u>	<u>(363.00)</u>	<u>2,112.32</u>	12/31/92	12/22/92	<u>5</u>	<u>9</u>
2		8,775.85			23	69
SOURCE: Audit Analysis						

We also reviewed the Municipal Code Corporation contract and reviewed vendor files in accounts payable to determine amounts paid over several years. To estimate cost of staff time involved in public records research, we analyzed phone call memorandums of records research requests on which the Clerk Records Assistant had recorded time to complete the request. Because Clerk staff do not track whether or not the request for records research is being done for a commercial purpose, we determined likely commercial requests through telephone follow ups. Results of our analysis are shown below.

Source	Number	Time In Hours	Estimated \$
Internal City	7	57	\$652
Other Government or Nonprofit	6	14	\$160
Citizen request	5	7.5	\$86
Commercial	1	8	\$92
Total	19	86.5	\$990
SOURCE: Audit Analysis			

## APPENDIX B

### City Clerk Structured Survey Results

The newly appointed Scottsdale City Clerk wished to determine how best to organize and operate the office. To assist the effort, we contacted the International Institute of Municipal Clerks (IIMC), a professional development association of 10,000 members, to determine "model" Clerk functions. According to the IIMC Director of Education, no model for City Clerk organization and function exists. City clerk duties vary by state, and also apparently depend upon where in the organization the function is located, whether in the city manager's office, the city treasurer's office, or elsewhere.

Because of the lack of a model, we visited clerk offices in the cities of Goodyear, Chandler, and Tempe, in addition to Scottsdale to determine normative Arizona Clerk functions. These organizations were suggested by IIMC staff as exemplifying a range of clerk functions. In each, we administered a structured survey. Profiles of the offices visited are shown below.

CITY CLERK PROFILES				
	Scottsdale	Goodyear	Chandler	Tempe
Number of Citizens	140,000*	4,000	101,000*	145,000
Government Employees	1,200	59	614	1,400
Operating Budget 92/93	\$172 million	\$6.5 million	\$159 million	\$129 million
Clerk Staff Fulltime 92/93	7	3	3	5
Budget 92/93 w/o elections	\$435,000	\$167,143	\$218,062	\$196,549
Number of Council meetings annually	75	24	65	48
Council action processed annually (ordinances, packets, agendas, council actions)	812	Unknown	730	Unknown
* varies seasonally				
SOURCE: City Clerk Survey and Audit Analysis				

Clerks interviewed responded that different functions drove their workloads. (See Insert.)

WORKLOAD DETERMINANT	
Scottsdale	City Council meetings & agendas
Goodyear	Special projects for City Manager
Chandler	Number of ordinances
Tempe	City Council meetings and agendas
SOURCE: City Clerk Survey	

Arizona clerk offices shared some common functions. (See Insert.)

MAJOR COMMON FUNCTIONS OF CITY CLERK OFFICES VISITED
<ul style="list-style-type: none"><li>• Prepares and distributes Council agenda.</li><li>• Maintains City Code.</li><li>• Administers elections.</li><li>• Performs legal postings and publishing.</li><li>• Manages public records.</li><li>• Conducts records research.</li><li>• Attests to documents.</li><li>• Maintains legislative history.</li></ul>
SOURCE: City Clerk survey and audit analysis

Functions were accomplished differently. For example, while all City Clerks visited maintained City Codes, different methods were used. Both Scottsdale and Chandler contract with the Municipal Code Corporation for city code maintenance. Goodyear and

Tempe maintain their own codes. Goodyear uses the Arizona League of Cities and Towns for assistance in codification. Tempe generates its code solely in-house. However, Tempe City Clerk incorporates the city's zoning ordinances by reference, so the zoning ordinances are not published.

All Clerks do legal posting. Chandler posts legal notices at two locations, while Scottsdale posts notices at seven locations. Clerks record Council votes differently. Chandler and Tempe Clerks record votes by electronic secret ballot, while Goodyear and Scottsdale Clerks record votes manually in the Council minutes.

Based upon survey results, a conclusion could be drawn that clerk functions depend more upon organizational reporting relationships, whether the clerk reports to the City Manager or not, than upon size of the government or city served.

The Chandler and Scottsdale City Clerks report to the Mayors and City Councils, while the Goodyear and Tempe City Clerks report to city management. Perhaps as a result, the Goodyear and Tempe City Clerks have support functions in addition to those we observed in Chandler and Scottsdale. In Goodyear, the City Clerk supervises the data processing system, prepares payroll, performs risk management and coordinates personnel training for the city. In Tempe, the City Clerk microfilms documents for all departments except Police. The office also physically houses all records that go to the City Council and compiles the city telephone directory.

The survey and clerk responses are reproduced below:

1. What are the major functions of your office?

Goodyear City Clerk

records management program  
supervises City data processing system  
prepares and distributes Council agenda  
maintains the City Code  
legal postings  
records Council actions  
elections

coordinates publication of legal notices and public auctions  
administers oaths of office  
conducts research  
prepares ordinances and resolutions  
assists in policy and procedures implementation  
coordinates personnel training for city  
prepares city payroll  
risk management for city  
conducts special projects  
handles council administrative details, such as travel

#### Chandler City Clerk

secretary to the Mayor and Council  
prepares agendas, notices, filings, coordinates and tracks  
paperwork  
legal postings  
public records management  
maintains legislative history  
maintains the municipal code  
does recording  
houses annexation maps and files, and zoning maps  
does Board and Commission training materials and  
membership reports as needed  
records research  
elections  
legal advertising  
attestation

#### Tempe City Clerk

records management for whole city  
physically houses all official records  
microfilms for all departments except Police  
Assists in developing records retention schedules for  
departments  
Council agenda  
minutes of Council meetings  
secretary to Police and Fire Pension Boards  
maintains duplicating equipment  
Board and Commission membership status reports, and  
training materials  
legal postings of agendas for all meetings

legal advertising  
maintains City Code  
compiles City telephone directory  
audiotapes council meetings  
takes all complaints and summonses  
records research  
elections

Scottsdale City Clerk

maintains vital public records  
coordinates, produces and distributes City council agendas  
records and prepares Council minutes  
records research for City departments and public  
legal postings (at 4 locations)  
consult with City staff about records management  
administer records storage and micrographics contracts  
courier service  
Board and Commission membership status reports and  
training materials  
maintain City Code  
schedule Kiva conference room and provide catering for  
functions  
recording for City  
coordinates legal advertising  
Bingo licenses  
elections  
catering City meetings and functions

2. Does your office administer elections?

Goodyear: Yes, every 2 years. Elections is a separate line item in the budget, but it does not have a separate budget.

Chandler: Yes, every 2 years. Elections has a separate budget.

Tempe: Yes, every 2 years. Bond elections are generally every 5 years, and there may be special elections. Elections does not have a separate budget.

Scottsdale: Yes, every 2 years. Elections does have a separate budget.



3. Does your office function as the central government switchboard?

Goodyear: Yes, and for the Fire Department as well.

Chandler: No.

Tempe: No.

Scottsdale: No.

4. Council support

Goodyear: Council meets twice a month. Minutes are required by statute to be available for public inspection within 72 hours. Does not audio or videotape meetings. Council packets go out the Friday before a meeting. Council pick up their own packets at the Police Department. Actions for Council are on deadlines which if missed by managers, are pulled from the agenda. Clerk forecasts and tracks likely Council actions one year forward.

Chandler: Council meets for working session on Mondays, and meets on Thursdays, every other week. Minutes are prepared by Monday of the following week. Minute preparation is contracted out for \$2,380 a year. (\$18 an hour.) Public can review audio tape, if needed.

Tempe: Council meets once a week. Council passes resolutions three months in advance if meetings are cancelled so that staff can plan. Minutes are prepared weekly, before the next Council meeting, for approval. Minutes are done on the basis of the electronically prepared council agenda. Do not have to be retyped, and can actually be done prior to a meeting, except for public hearing items.

Scottsdale: Council meets on the first and third Monday and Tuesdays of each month. Turnaround time target is seven days for minutes. Public can review the audio tape if needed.

How are Council votes recorded?

Goodyear: Clerk records council actions in the minutes.

Chandler: Votes are recorded by electronic secret ballot, tallied, and then recorded in the minutes.

Tempe: Votes are recorded by electronic secret ballot, then in the minutes.

Scottsdale: Votes are recorded in the minutes.

5. Do you have an automated records system?

Goodyear: System is manual with computer assistance.

Chandler: Legislative index is automated from 1986/87 to 1990. From 1990, records are on optical scanner for use on some records. Originals are destroyed. Microfilm of records is also kept. Documents are kept for minutes, ordinances, and contracts. These are not automated.

Tempe: City has an automated legislative history and functional subject filing system. A manual filing system was used before 1985. Since 1985, have used a functional filing/legislative history computerized system which offers abstracts and key work searches. Most of the manual documents before 1985 are on microfilm. All old microfilm documents are being put on automated index. Programming for Clerk automation was done in-house in Tempe.

Scottsdale: Records handled by Clerk are partially automated. The City Code, Policy Issue Resolutions, Administrative Regulations, legislative index, Council agendas and contract file index are automated. Were microfilming documents and moving documents to off-site storage for the last year or so, but have stopped because are trying to purchase an optical scanner. Programming has been done in-house for what is used now.

6. Does your office serve as the government central records manager?

Goodyear: Yes, office is the central records manager. All files back to 1946 incorporation have been reviewed and organized. Microfilm and fiche are used for records. Two sets of fiche are kept. For contracts, a control sheet is created which gives all needed information about the contract. Records are entered into an automated indexing system permitting key word searches.

Office provides records management standards and procedures which City staff must follow. Only Clerk can assign a number to a file being set up for permanent records. All departments use same filing scheme. Vital public records are kept in a vault that is fireproof. There is no public access to original documents. (Notice is posted on door to vault.)

Chandler: office does not serve as the central records manager. Office does not provide records management standards and procedures binding on all city staff. If requested, they will advise departments. Departments are supposed to follow the approved records retention schedule. Chandler's retention schedule was approved in 1980 and has not been updated. Clerk follows the State schedule where it is more stringent.

Tempe: No, the office does not function as the central records manager. The office does publish the state-approved records retention manual which must be followed, and publishes a records management manual.

Scottsdale: Clerk does not serve as the central records manager. Clerk maintains essential records only. Departments and offices maintain their own records.

## ORGANIZATIONAL CONSIDERATIONS

7. Does your city have a separate office that administers automated systems?

Goodyear: No. The Information Systems Manager reports to her.

Chandler: Yes, and a separate Office of Public Information.

Tempe: Yes, Tempe has a separate office of automated systems, and a separate office of public information.

Scottsdale: Yes, Scottsdale has a separate office of automated systems and a separate office of public information.

8. Is the City Clerk position considered an officer of the City?

Goodyear: Functionally, Clerk is a department head. She reports to the City Manager.

Chandler: Clerk is an appointed officer of the City, and reports to the Mayor and City Council.

Tempe: City Clerk is an officer of the City, appointed by the Mayor and Council. Clerk reports to the Deputy City Manager.

Scottsdale: City Clerk is an officer of the City, appointed by the Council. Clerk reports to the Council.

## OTHER CONSIDERATIONS

9. Does your office have a policy about memberships and subscriptions which it will support? How is this controlled? Through policy and procedures?

Goodyear: Clerk belongs to International Institute of Municipal Clerks, Arizona State Clerks, International Risk Management groups.

Chandler: Clerk belongs to IIMC, Arizona Municipal Clerks, Elections Officers of Arizona.

Tempe: Clerk belongs to the IIMC, Arizona Municipal Clerks Association, and the League of Arizona Cities and Towns.

Scottsdale: Clerk belongs to IIMC, Arizona Municipal Clerks, and Association of Records Management and Administrators.

10. What is your office's policy on attestation (signing) of routine documents? Has the Clerk officially delegated this to others?

Goodyear: Clerk signs all documents. City Manager may authorize an Acting City Clerk in Clerk's absence. Has a signature stamp, also.

Chandler: Clerk will delegate attestation if she is out, attest by minute action. Otherwise, Clerk attests to all documents.

Tempe: Clerk signs every time the mayor signs.

Scottsdale: Clerk attests to all documents.

11. Have any audits of your office been done? May I have copies of any reports?

No audits reported.

## APPENDIX C

### Management Responses

1. Memorandum, Sonia Robertson, City of Scottsdale City Clerk. Subject: Response To Audit Recommendations.
2. Memorandum, Sandy Spain, City of Scottsdale Purchasing Director. Subject: Response To City Clerk Audit Items.
3. Memorandum, Jay Osborn, City of Scottsdale Assistant City Attorney. Subject: Review of draft audit report "City Clerk Operational Audit."

## Response From City Clerk



*Office of the City Clerk*

August 17, 1993

TO: CHERYL BARCALA, CITY AUDITOR

FROM: SONIA ROBERTSON, CITY CLERK *Sonia*

RESPONSE TO AUDIT RECOMMENDATIONS

Attached is my response to the recommendations resulting from the audit of the operation of the City Clerk's office.

I appreciate the comprehensiveness of the audit and generally agree with the recommendations and believe implementation will strengthen both the legal procedures and the policy direction of the Clerk's office.

The City Clerk team has accomplished significant changes during the past two years and will continue its commitment to Scottsdale values by formulating a management action plan. The entire staff will participate in the planning process to clearly define common goals and objectives. Upon completion, the management action plan will be presented to the City Council and City Manager.

I would ask that the following paragraph be substituted for the fourth paragraph on Page 8:

Legislative record (ordinances and resolutions) microfilming was suspended in early 1992. During the research for an automated legislative tracking system, the optical disk imaging technology gained more attention. Imaging technology, while recently developed, appears to provide a solution to storage problems AND extremely fast research and retrieval capability. Microfilming was performed through a contractual agreement and still requires equipment for reading and printing at the office. Present equipment is inadequate to provide the volume of retrieval required of the Clerk's Office and investment in new equipment is seen as an investment in what will be an obsolete method of storage and retrieval, compared to having an 8-track player when CD's are the current advancement.

Thank you.

Attachment

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RESPONSE TO CITY CLERK OPERATIONAL AUDIT  
August 17, 1993

RECOMMENDATION NO. 1

The City Clerk agrees with the recommendation to produce a comprehensive City Clerk Policies and Procedures Manual. In addition, a Council Reference Guide is in draft form which will set out citywide procedures for the agenda process. The need for a procedures manual has been the subject of discussion at staff meetings and the gathering of data is underway. This is a high priority goal with a target for completion of a draft by July 1, 1994.

RECOMMENDATION NO. 2

The City Clerk concurs with the recommendation for a vital records program. This is a long range project involving the following steps:

- \* Continue moving records from storage room in City Hall basement to off-site storage facility which complies with standards. There are no plans to fire-proof the basement storage room, but rather emphasize relocation of records presently stored there to an acceptable storage facility.
- \* Continue imaging task force research for a network optical imaging system. Microfilming was discontinued due to inadequate microfilm reader/printer and advancements in technology making a convincing case toward optical disk imaging.
- \* Meet with Director of Records for the Arizona Department of Library, Archives, and Public Records to obtain the most current requirements and discuss state operated archival storage of permanent records.
- \* During a citywide records inventory (see response for #5), identify vital records in the retention schedule.
- \* Follow-up recommendation for use of archival quality paper and acid-free file folders with Purchasing and include in citywide policy and procedures. (See response to Recommendation No. 3 below.)
- \* Include a records inspection schedule during the development of the Records Retention and Records Management Manual.
- \* The suggestion that working copies of contracts be made is well taken, and we plan to include this as a priority item in the imaging project so rapid research can be accomplished on-line and the original documents stored off-site. Response to the suggestion that only one "original" be maintained by the City is another area easily resolved by optical imaging, which would provide copies to the contract administrator and anyone else in the city requiring access and the present practice of the third "original" thus eliminated.



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August 12, 1993  
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\* Steps have already been taken in the Contract classes offered through Purchasing to advise city staff of the need to number all pages of the contracts and to submit a signature page with a minimum of two full lines or more of the text of the contract. There was also emphasis on signing documents in a color of ink other than black since copies have improved and it is sometimes difficult to differentiate between the original and a copy. However, signature pages of all original documents are embossed with the City seal, further distinguishing originals from copies.

RECOMMENDATION NO. 3

The Purchasing Director has been requested to add archival paper and acid free file folders to the City stores inventory. The City Clerk's office currently produces council minutes on archival paper and files all permanent records in acid free file folders. A policy will be established requiring permanent records, i.e. ordinances, resolutions, to be printed on archival paper. The City Clerk's office is also working with the Office of Management Systems through an Optical Disk Imaging Task Force to determine feasibility of optical disk technology for storage of vital records and has discussed with the Intergovernmental Relations office the possibility of working through the League of Arizona Cities and Towns to introduce legislation in an upcoming State legislative session specifying optical disk imaging as acceptable for permanent records.

RECOMMENDATION NO. 4

The City Clerk has no response to this recommendation, but has advised the City Attorney's office of it.

RECOMMENDATION NO. 5

See response for Recommendation No. 2 regarding process involved and implementation time frame.

Meet with City Manager re: alternatives for citywide records management program.

Form citywide records management task force for a comprehensive approach to an organizational records program.

RECOMMENDATION NO. 6

The City Clerk will work with the City Attorney's office to identify functions specified for the Clerk's office but performed by other city departments in order to appropriately respond to this recommendation. This is a long range goal to be accomplished over the next two years.

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RECOMMENDATION NO. 7

The City Clerk agrees with this recommendation and will work towards establishing goals for project management and review. Currently a survey is being developed addressed to recipients of full council packets with a goal of reducing the number of packets produced and distributed. In addition, the Clerk will work with the City Attorney's office to determine feasibility of enacting "by reference" as a means of reducing advertising costs. An RFP is currently being finalized for a Clerk automated system for agenda and minute production and research which should further reduce costs. This is a dynamic process already underway which will continue over the next several years.

## Response From Purchasing Director

Memorandum

August 17, 1993

To: City Auditor

From: Purchasing Director

### RESPONSE TO CITY CLERK AUDIT ITEMS:

The following comments are in response to your request that I comment on two items in subject audit:

#### Recommendation No. 3 - Archival Paper

Will be added to inventory after specifications, pricing and sources have been determined. The City Clerk will be sent a form to complete requesting the inventory item and estimating the usage so that inventory minimums and maximums can be established. Estimated completion date, October 1, 1993.

#### Legal Notices - Progress Contract, Page 24

The Scottsdale Progress has historically been viewed as the City's official newspaper and as such all legal advertising is placed there without question. The position to negotiate a contract should consider:

The new ownership of the paper and its relationship to the City.

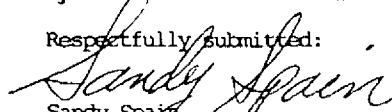
Contracts cannot be negotiated unless the provisions of the Procurement Code have been followed. The Progress can be considered a sole source for contracting purposes, provided the City continues to define it as the City's official newspaper.

The Contract Administrator (City Clerk) would be responsible for the negotiation. In this case, because of established relationships, it might be best to have joint Contract Administration with Communications and Public Affairs (CAPA) or assign the task of Contract Administrator to CAPA.

To negotiate implies that, if we cannot come to mutually agreeable terms, we will select/negotiate with another source. So it would need to be established that, if we cannot negotiate the most advantageous rates, there is Council support to use another source for legal advertising.

The time frame for the establishment of this contract would need to be set by the Contract Administrator.


Respectfully submitted:

  
Sandy Spain  
Purchasing Director

## Response From Assistant City Attorney

August 18, 1993

TO: Cheryl Lee Barcala, City Auditor

FROM:  May Osborn, Assistant City Attorney

RE: Review of draft audit report-"City Clerk Operational Audit"

The city attorney has asked me to respond to your memorandum of July 29, 1993, requesting review and response to recommendations 4 and 7 of the draft audit report noted above. Since Janet Lowden has advised me that it has been decided to remove recommendation 7 from the audit and treat it in a separate document, this memorandum will respond only to recommendation number 4, which reads as follows:

4 The City Attorney should revise the Public Records Inspection and Copy Request form instructions to define "public records" and to indicate that original documents are not to be used for records research

Response: Defining "public records" on the information and instruction sheet, which is designed for use by the requesting party, would be difficult to express succinctly, and would have minimal value, since the term generally encompasses all documents and records created or maintained by a public office. It is important, however, for City staff to be able to identify situations in which the city attorney's office should be consulted for assistance in determining whether the information requested falls within one of the narrow exceptions in which denial of access is legally permissible.

The city attorney's office has disseminated some information to assist in such determinations. Several months ago, CAPA initiated an administrative regulation relating to public records, which was to contain this information. Staff changes interrupted the project and it was never completed. The city attorney's office will determine the present status of that project and assist in the preparation of written information and guidance, in some form, on appropriate responses to records requests. This is a subject matter area in which few difficulties are experienced, in part because a majority of the requests are made to experienced staff members, who are usually identify potential problems. It is anticipated that a project such as this should be completed by the first part of 1994.

The use of original documents for public access and research purposes, although both inadvisable and undesirable, is often unavoidable. Any public records information and guidance prepared for use by City staff will encourage the use of photocopies, rather than originals, and will contain guidance on procedures to be followed when only the original of a file or document is available for public examination. This specific problem is one which would be resolved by the acquisition of an optical imaging capability

cc: Sonia Robertson  
Richard W. Garnett III  
Fredda Bisman  
Jenae Naumann

Reports Issued  
Office of the City Auditor  
Scottsdale, Arizona

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<u>Issue Date</u>	<u>Report Number</u>	<u>Report Title</u>
<b>1993</b>		
May	8903.1	Scottsdale Cultural Council Contract Administration Progress
<b>1992</b>		
December	8902.1A	City Parcel Database
December	9010B	Dial In Security System Project Evaluation
October	8902.1 and 9002	Progress Since 1989 In Property Tax Management, City of Scottsdale, Maricopa County
<b>1991</b>		
December	9102	Tournament Players Club Contract Compliance and Related Issues
October	8802B	Utility Bill and Tariff Costs, Scottsdale Water Service Company, City of Scottsdale
August	9105	Scottsdale Police Department Imprest and RICO Financial and Related Operational Management Practices
May	9003	Scottsdale City Court Financial and Related Operational Management Practices
April	8802A	Utility Bill and Tariff Costs, City of Scottsdale

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<u>Issue Date</u>	<u>Report Number</u>	<u>Report Title</u>
<b>1990</b>		
December	9005	Investigation of Internal Control Weaknesses in the Communications Services Section of the Office of Management Systems
September	8905	Office of Management Systems General Controls
September	9001	Attestation Audit on Urban Mass Transportation Administration Reports and Related Scottsdale Connection
April	9004	Investigation of Internal Control Weaknesses Involving Community Development Block Grant Funds and Other City Resources
April	8903	Scottsdale Cultural Council Contract Performance and Compliance
November	8904	Preliminary Survey Covering City of Scottsdale Automated Systems
September	8902	Property Tax Management Practices City of Scottsdale/Maricopa County
April	8901	Attestation Audit on Inventory Moved During Police Property and Evidence Room Relocation in February 1989
April	8801	Perquisite Management Practices
<b>1988</b>		
December	--	Presentation on City Auditor Operations